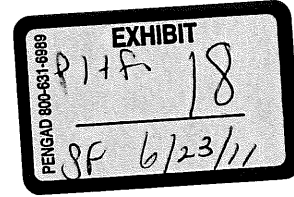


APPENDIX 29



Memorandum

From: Emil Rucigay
To: Senior Cabinet, BQHC, Wyckoff & Caritas
Re: Retention of FTI/Cambio and Chief Restructuring Officer
Date: July 30, 2007

The Boards of Trustees of BQHC, Wyckoff, and Caritas (the "Boards") have decided to undertake a broad restructuring initiative that we believe will help create a financially viable and more effective health care system at Wyckoff Heights Medical Center, and the two Caritas hospitals, St. Johns Queens Hospital and Mary Immaculate Hospital.

This decision follows careful review by the Boards of the consultant studies by FTI/Cambio and Deloitte, which identified a number of significant challenges across the three hospitals that must be addressed immediately, and consultation with the State Department of Health (DOH) whose support is essential to the successful implementation of the initiative. The objectives of the initiative include improving our management and governance practices, stabilizing our finances, and attracting substantial new sources of capital for investment in our health care system.

To accomplish these objectives, the Boards have retained Tom Singleton, of FTI/Cambio, as Chief Restructuring Officer (CRO), and Paul Goldberg, also of FTI/Cambio, as Chief Financial Officer (CFO). Tom and Paul will work with current management, as well as bring in additional management resources as needed. I understand that Tom will soon identify how he wishes the team to function, including a full description of reporting relationships.

As CRO, Tom Singleton has been charged with the responsibility to assume full and overall management authority of BQHC, Wyckoff, and Caritas, and to openly address our current financial and operational circumstances. He has been directed to develop and implement a restructuring plan in consultation with our affected constituencies, including our secured and unsecured creditors, DASNY, DOH, employees, voluntary medical staff, patients, vendors and suppliers, elected officials, and the community at large.

Specifically, the Boards have asked him to:

* Direct and hold accountable all senior management in day to day and long range activities, including everything deemed necessary to achieve organizational objectives and engage in hospital related interactions with the board of trustees, government, press, political, community affiliates, labor and

medical staff, as the senior most representative of management;

- * Develop proposed changes to Board governance procedures, structure, and protocols, necessary for implementation of the overall restructuring plan;

- * Implement revisions to the performance expectations of senior management, including but not limited to changing lines of reporting, revision of internal controls, fiscal management and auditing procedures, and other actions deemed appropriate by the CRO (subject to Board approval as needed);

- * Develop and implement systems of checks and balances between and among management staff and the Board, so that authority is properly placed and distributed;

- * Oversee the development of new/updated clinical delivery models and annual budgeting processes in furtherance of revised governance objectives, continuous quality improvement, and improved employee morale; and

- * Develop a CRO exit strategy that assures continuous operations that are consistent with the highest standards and protocols of the restructured organization.

I also want to clarify that the Boards have directed Tom to seek to accomplish the restructuring initiative in a manner that will permit all three of our hospitals to continue to operate.

I ask that each of you give Tom and Paul your fullest support and cooperation as we move forward in this important endeavor. Success depends on all of us working together to implement the changes required to improve our health system. Feel free to contact me if you have any questions.

Emil Rucigay
Chairman of the Board
BQHC, Wyckoff, and Caritas